

Exhibit 28

Mistrusting the Drug Managers

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New York has joined a host of other states that are suing or investigating pharmacy benefit managers, companies that purchase drugs for millions of patients. Attorney General Eliot Spitzer filed a suit last week against Express Scripts, the nation's third-largest pharmacy benefit manager, accusing it of pocketing drug savings that it was supposed to pass on to a state insurance program for active and retired government employees. The accusations are strongly denied by Express Scripts. However that legal battle turns out, the growing effort to force pharmacy benefit managers to make their operations more transparent is a welcome development. In the absence of government regulation of drug prices, the nation is relying heavily on such companies to negotiate the lowest possible prices from the pharmaceutical companies.

In theory, pharmacy benefit managers use their bulk purchasing power to obtain big discounts from the manufacturers and pharmacy chains. Mr. Spitzer's suit contends that Express Scripts disguised millions of dollars in manufacturer rebates as special fees, inflated the costs of the generic drugs it purchased and tricked doctors into switching their patients' prescriptions to drugs whose manufacturers paid Express Scripts for the favor. Mr. Spitzer also says that Express Scripts would offer pharmacies a higher-than-warranted price for drugs whose entire cost could be passed on to the state in exchange for a lower-than-warranted price on drugs where Express Scripts had guaranteed a certain price and could pocket any savings if it bought the drugs for less.

Express Scripts denied any wrongdoing and said it had actually saved the state \$2 billion in drug costs since 1998. The industry's trade group said pharmacy benefit managers are driving down the cost of prescription drugs by about 25 percent and

will save New York consumers and employers some \$91 billion over the next decade. The public can only hope that the investigations by New York and many other states smoke out enough data to allow a sound judgment as to how effectively these drug negotiators perform.

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